

~~SECRET~~

Document ☐  
No Change in Class ☐  
☐ Enclosed  
Class Changed To: TS 5  
Auth: IBM 10-2  
Date: 20 SEP 1978  
By: *a 76*

NOV 19 1953

MEMORANDUM FOR: Assistant Deputy Director (Administration)

THROUGH : Comptroller

FROM : Management Officer

SUBJECT : Request for Issuance of Letter of Intent to Rent  
IBM Type X794 Electronic Searching Selector.

1. Request

Request is made for the issuance of a letter of intent for the rental of one IBM Type 794 Electronic Selector.

2. Cost

- a. This machine rents for \$1,400 a month.
- b. No funds will be needed for the FY 1954.
- c. For the FY 1955, \$9,240.00 will be needed.

Thereafter, the monthly rental will be \$1,400 a month. The understanding is that we will rent for a least three years although we cannot contract the payments beyond that which is appropriated by Congress and, therefore, a letter of intent beyond the fiscal year 1955 is really a gentleman's agreement.

3. Use of Machine

This machine was developed by the IBM for specific use in searching indexed information.

We, in common with all large research concerns, are faced with the continuing uptrend in the cost of searching out needed knowledge when planning and conducting research. Because of this, FRC authorized a research program, conducted in conjunction with MIT, a part of which was development of this machine. A subsequent staff study will be issued in conjunction with the furtherance of this research program. Meanwhile, as a by-product, we have found this machine is useful in several areas (see two letters attached). We also have verbal concurrence from OSI, ORR, and the Special Register, OGD, serving OGI. The machine, therefore, will be used for current operational problems and for continuation of research into indexing and documentation problems throughout the Agency.

4. Reason for Letter of Intent

At this time IBM is about to manufacture 4 hand-constructed machines,

~~SECRET~~

~~Security Information~~

~~CONFIDENTIAL~~

one for their own research program, one for the Battelle Memorial Institute, and two for other people. If we wish to get one of these machines, it is necessary to give a definite commitment as far as we legally can. Since it takes about 14 months to manufacture the machine, it will be necessary for us to give a letter of intent at this time unless we want to be left in the lurch.

*W*  
W. L. PEEL

CONCUR:

Provided the letter of intent specifies that the arrangement is subject to funds being available in fiscal year 1955 and succeeding years. The specific office which can finance this operation is not known at this time since specific provision was not made in the budget for financing this experiment. In view of the small amount involved, however, it is believed provision can be made during the reprogramming of 1955 fiscal year operations after appropriations are available for that year. This action anticipates the inclusion of this item in succeeding fiscal year budgets.

25X1A9a

*W*  
  
Acting Comptroller

(2nd pg retyped 11/19/53 - concurrence)  
✓dc - Comptroller

~~SECRET~~  
Security Information

one for their own research program, one for the Battelle Memorial Institute, and two for other people. If we wish to get one of these machines, it is necessary to give a definite commitment as far as we legally can. Since it takes about 14 months to manufacture the machine, it will be necessary for us to give a letter of intent at this time unless we want to be left in the lurch.

W. L. PEEL

Rewritten

Concurrence for the Comptroller - I can arrange for the necessary funds for the fiscal year 1955 to be taken out of the budgets. For the succeeding years, funds will be requested in our regular annual budgets.

E. R. SAUNDERS  
Comptroller

HCA 16 5 20 PM '52

- 2 COMBIBOGER

~~SECRET~~  
Security Information